

DD/E 72.2931
cc-m-72-486

MEMORANDUM FOR: Deputy Director for Support
SUBJECT : Agency Annual Report
REFERENCE : Your Memorandum, dated 6 July 1972,
Same Subject

1. In accordance with the Reference attached herewith is the Office of Communications' submission to the DD/S portion of the Agency Annual Report.

2. This report will also form the basis for the subsequent ongoing annual history submission. Key documents will be reviewed and marked in accordance with the instructions contained in Tab B of the Reference.



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Director of Communications

Attachment:

OC Submission to the Agency Annual Report

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availability of funds to procure necessary cryptographic equipment and qualified personnel to install and maintain the secured systems.

b. Members of the USCSB agreed to develop a National COMSEC Plan for Computer Systems as an additional section to the United States Communications Security Plan. We have requested that CIA participate in the preparation of the plan.

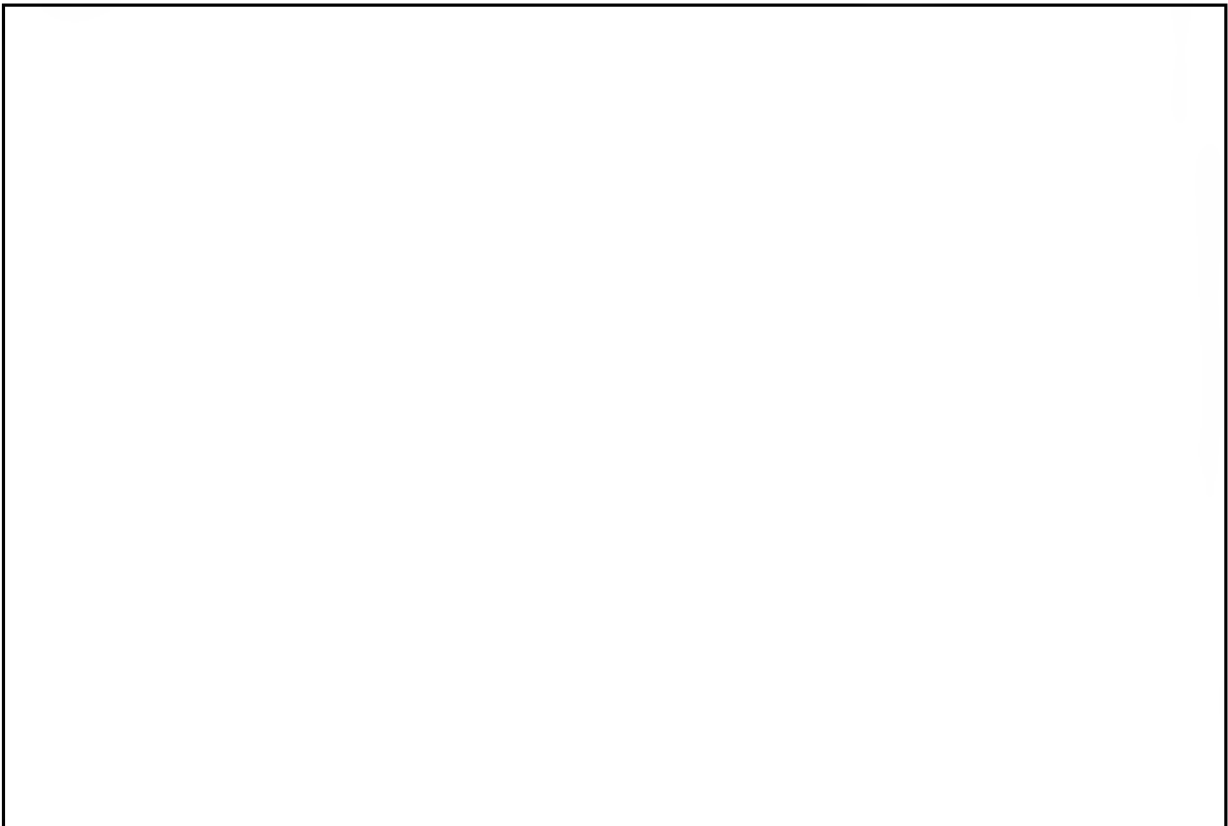
25X1 3. Support to [redacted]

25X1 A change in the Agency's role of providing logistical support [redacted] will impact favorably upon the Office of Communications. Henceforth (as of 1 July 1972) [redacted] will provide the bulk of support in providing the communications wherewithal, reducing our job to supplying non-military standard communications equipment. 25X1

II. Major Accomplishments and Failings.

D. Support.

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5. Automated Switch (MAX-IA).

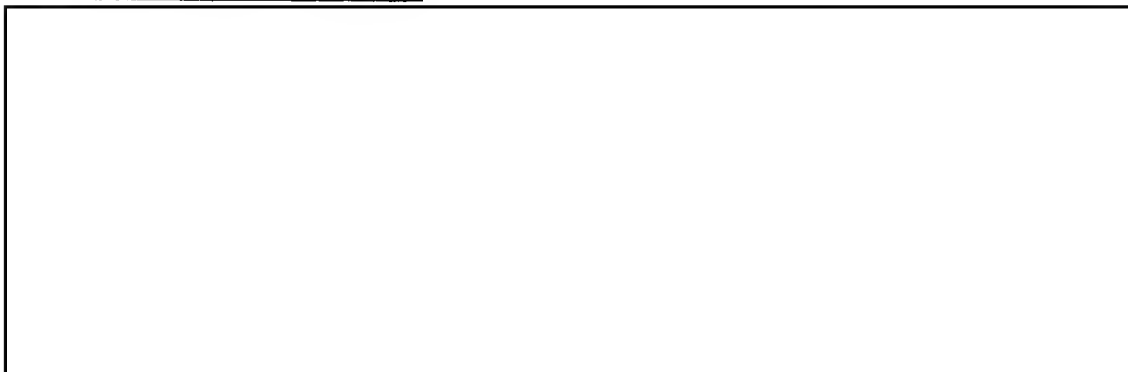
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The computer-based message switch at  (MAX-I, a second generation computer) was installed in 1963. The obsolescent status and deterioration of this switch, vital to our Far East and South Asia communications, has made its replacement urgent to avoid degradation of communications service in the MAX-I area. The necessary contractual action to procure a replacement for MAX-I has been accomplished in this period.

The replacement switch, MAX-IA, will be identical to the other two modern, versatile switches in the network, MAX-II and MAX-III.

6. Major Facility Changes.

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b. Another major accomplishment in this category was the



7. Automated Communications Terminal (ACT).

The ACT program has as its objective the automation of the message preparation and handling processes within the Headquarters Signal Center. ACT will interface directly with the Headquarters' Message Switch (MAX-II) for input to the Agency telecommunications network and will utilize an Optical Character Reader to convert narrative messages for electrical transmission. The results of automating these processes will be to reduce manual workload and increase the overall efficiency of the message terminal operations.

The ACT system has been installed in the Headquarters Signal Center and is currently undergoing equipment de-bugging. It is expected that ACT will be ready for final testing early in the first quarter of FY-73.

Contractor delays have resulted in significant slippage in the ACT schedule. This has resulted in some loss of the near-term advantages this system will have in the manpower savings and improved message processing.

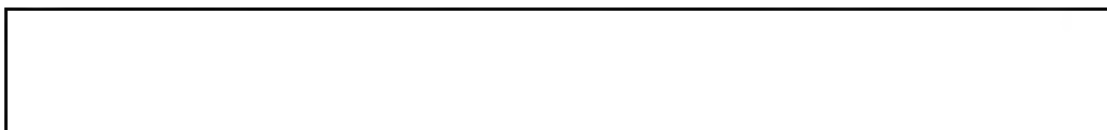
8. Automated Field Terminal (AFT).

A prime objective of the Automated Field Terminal (AFT) is the automation of manual processes, to the extent feasible, which is directly related to the personnel workload and personnel reductions at our field stations. Of corresponding value is the necessity of increasing the efficiency, reliability, speed, and quality of service at field stations.

The development of an Automated Field Terminal moved a significant step forward in FY-72 with a contract for an experimental terminal which is scheduled for delivery in November 1972.

9. Signal Intelligence.

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11. Transfer of Cable Secretariat.

On 1 February 1972, the Cable Secretariat, with its functions and personnel, was organizationally transferred from the Office of the DCI to the DDS Directorate, Office of Communications, [redacted] This action increased the Office of Communications' Table of Organization [redacted] positions.

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12. CIA Gray Telephone System.

The responsibility for the security and maintenance of the CIA Gray Telephone System was officially transferred from NSA to the Agency 1 April 1972. The [redacted] was tasked with the ongoing management of this system.

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13. Communications Security.

a. Despite reduction in both personnel and funds, our equipment radiation vulnerability testing program showed an increase in the number of tests completed during FY-72 over the previous year; 83 tests completed in FY-72 vice 57 completed in FY-71. This increase is due, in part, to confidence gained in testing techniques during previous years. A large percentage of tests conducted during the year were in support of, or as a result of, requirements originated outside the Office of Communications. (I.e., equipment for NOC use, ADP equipment and office equipment.)

b. In order to obtain a greater degree of confidence in the COMSEC posture of our Comcenters, we have initiated several programs designed to accomplish this objective. Encapsulation techniques for cryptographic keying material to prevent surreptitious penetration have been developed and are being implemented. Technical inspections of all unclassified communications equipment used to process classified information are being conducted on a scheduled basis. This inspection procedure is unique within the U. S. Government.

c. Comprehensive COMSEC inspections, including on-site radiation vulnerability tests, were conducted at [redacted] field locations during FY-72. Although we expect to continue at this level

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for field inspections in FY-73, it is not as high as is desired to ensure that all Agency communications facilities are inspected at least once each three years.

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14. Training.

a. Facilities have been established and programs developed and implemented to provide communications training to support the new Staff Satellite Communications System. Two complete satellite terminals, which provide a realistic training environment for operators and technicians, have been completely installed. In-house training courses in both operations and maintenance of the satellite communications system have been developed and pilot runnings of the courses have been accomplished. Concurrent with the above, extensive contractor training of technicians, covering the installation and maintenance of the system was concluded.

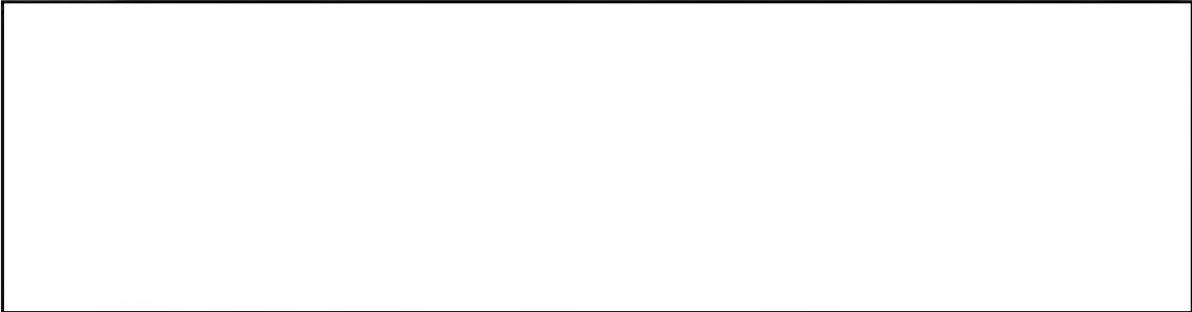
In summary, the above has resulted in a nucleus of trained technicians, a cadre of trained instructors, an inventory of pertinent training courses, and an up-to-date training facility. This training program represents a successful accomplishment in meeting new requirements.

b. Major modifications in the training of Telecommunications Specialists have been accomplished. A Staff Procedure Refresher Course, a Covert Communications System Course, an Operations and Limited Maintenance of Staff HF Systems Course, a Field Station Administration Course and Limited Maintenance Courses in both M-37 and M-28 Teletype equipment have been inaugurated. In addition a "hands-on," covert equipment, tutorial training facility has been established. These changes provide a broader base of specialized, applicable training for Telecommunications Specialists rotating between field assignments while at the same time permitting training to be scheduled and accomplished on a more timely basis. Initial reviews have shown these course modifications to be pertinent to our needs in successfully meeting existing requests.

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c. During FY-72, SPD personnel were afforded 20.1 man-years of formal training. Of this total, 8.5 man-years were devoted to language training for collection operators. The balance included technical, operational management and computer oriented courses. The training afforded in FY-72 is approximately 50% greater than that of FY-71. The amount of training required will continue to increase.

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16. Improved Financial Reporting for Program Managers.

As part of an effort to improve financial reporting for use by OC program managers, individual Project accounts were established for heavily funded programs such as Staff Satellite, MAX, ACT, etc. Use of these separate Project accounts provides for segregation of program costs, facilitate internal program analysis and review, and aids in the preparation of special analyses when requested by OMB.

As a follow-up to the above, we presented two proposals to the SIPS group reflecting our thoughts on how the ABC budget system could be improved to better serve the needs of OC management and facilitate program and budget preparation. We first proposed a regrouping of the various Project accounts by Program subcategories in place of the geographic area grouping used in the ABC system. This would provide faster access to budgetary data for budget preparation purposes.

Our second proposal was for a regrouping of project accounts in the monthly ABC system financial trend reports. The accounts would be reported, arranged by area of program manager responsibility along with a print-out of appropriate summaries of financial data for managerial use.

As a result of these proposals, beginning with the February Trend report for FY-1972, the project accounts were printed by

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OCS in an arrangement which greatly increased the usefulness of this information to our various program managers.

17. OC Funding for Production of DDP Communications Equipment.

In recognition of the budgetary problem arising when OC funds are used for production costs of all communications equipment produced to meet DDP requirements, we set about to alleviate this drain on the OC budget (OC does not budget for these production costs). We advanced a proposal that the Office of Logistics provide necessary production funds from allotments it receives from O/PPB. On 24 September 1971, we were advised by the Office of Logistics that Bulk Procurement Funds would be made available every six months to OC to cover production costs. The savings to OC approximates \$160,000 annually as a result of this agreement.

Following these first efforts at improved financial reporting, a major step in the accumulation of data along managerial jurisdictional line was taken for presentation of the OC Program for FY-1974. The Project accounts were restructured along lines of program managers. Some 115 former Project accounts were regrouped and reduced in number to approximately 50 accounts. This new system took effect 1 July 1972. The number of Project accounts will remain flexible to allow for expansion whenever additional requirements arise or when internal or external inquiries need to be satisfied. The key to the success of this new system is based on the belief that program managers will tend to control their rates of resource consumption commensurate with a clear understanding of their areas of financial responsibility and the associated resource allocations.

18. Career Management.

Efforts to improve the management of our personnel continues in the following areas:

a. The expanded weekly Reorientation Briefing now provides substantive presentations of our Staff, Covert and Special Programs activities and more extensive coverage of our Career Management policies and procedures. Critiques by participants unanimously reflect singular success of this program.

b. A revision of OC Order 20.1, the Communications Career Service System, was completed and disseminated broadly. Many significant changes to our competitive evaluation pro-

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cedures were included. The response to the wide distribution of this order was most enthusiastic and represents another step in our continuing effort to publicize to all OC personnel the operation of the OC Career Service System.

c. A major change to our competitive evaluation criteria was accomplished, achieving for the first time consistency and uniformity in the evaluation of professional personnel assigned to the Office. As this new criteria does not become effective until August 1972, it has not yet been evaluated.

d. Recent position reductions and changing position requirements created an imbalance of personnel in several of our technical specialities. The most severe impact was felt in the "traffic handling" positions, resulting in an overage of cryptographers and a shortage of radio operators. To preclude a forced separation of personnel, retraining programs were instituted during FY-72. While they have been helpful in correcting this imbalance, the gains have been modest. We fully expect to see the positive effect of these programs in FY-73 as personnel rotate back from overseas during the summer months. Barring further position changes or reductions, we also expect to achieve an acceptable balance of personnel and position requirements in FY-73.

III. Ahead.

D. Research and Development.

1. Equipment.

In the Special Programs Division, the intent of the program has been to provide equipment which will improve the effectiveness and efficiency of our static or shrinking manpower assets in the face of collection targets and requirements which are growing in numbers and complexity. Automated equipment which does not require full time hands-on attention of an operator is a logical approach. An Automated Teletype Terminal Unit (ATTU) was developed and is now in use [REDACTED] Two additional ATTU's have been procured and will be installed overseas in FY-73. Additional units are scheduled for procurement in FY-73 and 74. A Computer Controlled Receiver System (CCR) was developed for and is being shipped to the same country. This unit will enable one to four operators to control and program up to 12 receivers

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and a variety of output (recording or printing) devices. Variation of this system will be specified and procured to meet operational requirements at other overseas locations as required. Several other automated devices are now nearing final completion and checkout and will be installed overseas in FY-73.

2. Digital Communications System.

In response to non-official cover communications needs, considerable progress has been made toward development of a digital communications system. This system with wide versatility will fill a pressing need for secure record communications. High speed, automatic encipher/decipher and compatibility with existing systems are the more salient features.

3. Coder/Keyers.

High data rate input devices, providing automatic encipherment continue to receive engineering effort. These components are essential elements of 

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4. Secure Voice.

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Utilization of metal oxide semi-conductors (a recent transistor development) for cipher key generators will allow replacement of the present large, bulky and cumbersome cryptographic device used in current secure voice systems. Several projects to provide secure voice systems employing different modulation schemes and operational modes are under way. Operational requirements as dictated by environmental factors dictate multi-system availability.

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